

Accountancy Board of Ohio**State of Ohio**

Virtual Public Meeting Minutes of April 30, 2021

77 S High Street, Suite 1820

Columbus OH 43215-6128

ATTENDANCE

The Accountancy Board of Ohio (Board) met via teleconference with the following members present:

Board Members Present:

Kenya Y. Watts, CPA, Chair

James B. Redmond, CPA, Vice-Chair

Gerald P. Weinstein, CPA, Secretary

Margaret Gilmore, CPA, Immediate Past-Chair

John E. Soucie, CPA, Member

Brendan P. Fitzgerald, CPA, Member

Louise A. Jackson, CPA, Member

Megan E. Durst, CPA, Member

Board Staff Present:

John E. Patterson, Executive Director

Tracey F. Fithen, Assistant Executive Director

Donna M. Oklok, Investigations Officer

Charlene A. Nortey, Investigator

Sarah J. Sarnowski, Investigator

Faith Harvell, Finance Admin

Richelle Johnson, Information Admin

Guests Present:

Laura Hay, Executive Vice President, Ohio Society of Certified Public Accountants (OSCPA)

Barb Benton, Vice President of Government Affairs, OSCP

Lisa Brown, Director of Technical Services, OSCP

CALL TO ORDER

Chair Watts noted a quorum was present and at 9:09 a.m., called the meeting to order and welcomed the guests in the audience.

PRESENTATION BY OSCP

Ms. Watts introduced Ms. Laura Hay, Executive Vice President of OSCP and Ms. Lisa Brown, Director of Technical Services of OSCP who gave an overview of the fiscal year 2022 budget, peer review fees, and AICPA technical review program.

Ms. Hay discussed how the budge was calculated and allocated. She discussed the process for determining fees and the effect of PRIMA on other states. Fees have been unchanged for four years, but there was a recommendation for hearing preparation fees and additional fees for firms without a passing peer review.

Ms. Brown discussed the nine-year peer review trend and discussed the losses of firms during 2020. Ms. Hay discussed why firms may choose to leave the peer review program.

Ms. Brown discussed the extension of the peer review deadline due to Ohio House bill 404. Ms. Brown explained that system reviews and oversights may still be performed remotely.

Ms. Brown talked about Ohio's peer review program performance. Ohio met all administering entity benchmarks and did not experience a shortage of technical reviewers. Review and Acceptance Board meetings were held more frequently in 2020 to accommodate of reviewers and expedite approvals.

Ms. Brown explained that there is a peer review standards clarification project in process with a deadline of June 11, 2021. All 2020 peer reviews and oversights have been presented to the committee for acceptance. In January 2021 RAB observation was performed by the AICPA. Ms. Brown opened the floor for discussion.

Mr. Weinstein asked questions about the peer review trend which were answered by Ms. Brown.

EXECUTIVE DIRECTOR'S REPORT

Board Member Pay Increase Approval Memo

Ms. Watts brought the item to the floor and opened the floor for discussion. Ms. Watts asked Mr. Patterson for input on the increase, which he provided.

A roll call vote to approve the increase was introduced by Mr. Weinstein and seconded by Mr. Fitzgerald. Mr. Weinstein, Ms. Gilmore, Mr. Soucie, Mr. Fitzgerald, Ms. Jackson, Ms. Durst, and Ms. Watts voted yes. Motion passed 7-0.

NASBA Remote Testing Pilot Program

Ms. Watts opened discussion about the pilot program and explained that NASBA is asking Ohio to be a CPA Exam pilot state to test Prometric's virtual proctoring program. Mr. Weinstein introduced a motion to agree to be a pilot state. Ms. Jackson seconded the motion. Ms. Watts opened the floor for discussion of the program.

Mr. Weinstein asked questions about the quantity of tests and how long the pilot will run. Ms. Watts answered that she will need to reach out to NASBA to find out. Ms. Watts, Mr. Patterson, and Ms. Fithen discussed NASBA and Prometric's involvement in remote testing.

Mr. Fitzgerald asked questions about connection stability for students in rural areas and about establishing a controlled environment during the test. Ms. Watts answered the questions.

Mr. Redmond discussed benefits of remote testing for use in emergency situations. Ms. Watts discussed this with Mr. Redmond and referenced previous discussions had about the program with other state boards and NASBA.

Mr. Weinstein asked about eligibility. Ms. Watts answered that the program's eligibility would be developed based on current accommodation guidelines.

Ms. Watts called for a voice vote, and the motion to participate in the pilot program passed 8-0.

INFORMATION REPORTS AND UPDATES

Budget/Financial Update

Mr. Patterson informed the Board that the budget had been presented to the Senate.

Ms. Fithen discussed transfer of educational assistance funds. She discussed the revenue generated by the Board now exceeds the expenditures incurred to date in this fiscal year.

Education Assistance Report & Update

Ms. Fithen stated there were no requests made in April and about half of the education assistance fund has been spent so far. There will be many funds remaining at the end of the fiscal year.

Rules Update

Ms. Oklok referred the Board to upcoming rule change drafts as presented in the meeting materials. Ms. Oklok covered rule changes regarding special examination, program definitions, education assistance fund scholarship eligibility, and education assistance fund language changes, as well as proposed changes to CPA examination education qualifications.

Ms. Oklok opened the floor for questions and discussions regarding potential revisions of rule 4701-3-03 in light of recent changes to Revised Code 4701.06 lowering the education required to sit for the CPA Exam. All Board members, Ms. Oklok, and Mr. Patterson engaged in discussion.

Ms. Watts, Mr. Weinstein, and Mr. Patterson discussed the proposed rule changes surrounding special examination requirements for sitting for the CPA Exam. Discussion centered around raising the required GMAT score from 620 to 670 and how that would decrease the number of applicants using this path. Mr. Patterson noted that the rule for allowing GMAT scores to be used to sit for the exam was a rule created by the legislature and unlikely to change.

Board members then discussed the changes to 4701.17.02, scholarship eligibility material. The term minority, without definition, was added to the rule and financial need regardless of minority status is clarified in the new language. A specific definition for Ohio college/university was established.

Mr. Weinstein and Ms. Benton discussed changes to 4701.17.04, the scholarship fund balance language changes. They discussed how this would apply to applicants taking the GMAT and then sitting for the CPA Exam. Ms. Benton explained the rules surrounding the definition of four years of experience.

The Board had a roll call vote to accept the changes proposed to 4701-3-01, 4701-7-01, 4701-1-17. The motion was introduced by Mr. Fitzgerald and seconded by Mr. Soucie. The roll call vote passed 8-0.

Mr. Redmond introduced a motion to accept a revision to 4701-3-03 proposed by Ms. Oklok lowering the overall accounting credit requirement to 24 semester credit hours. This motion was seconded by Mr. Fitzgerald. The motion passed 6-2 by roll call vote.

[Investigations/CPE Verification Report/Attest Firms](#)

Ms. Oklok referred the Board members to the investigations report and attached summary. No questions were asked of the Board.

REQUESTS FOR WAIVER

CAMERON RUBINO

Mr. Rubino requested a waiver of the \$400 CPE fine, due to not completing at least 20 CPE hours per year.

RICHARD STEINER

Mr. Steiner requested a waiver of the \$80 CPE fine, due to not completing at least 20 CPE hours per year.

JOSEPH DILGARD

Mr. Dilgard requested a waiver of the \$380 CPE fine, due to not completing at least 20 CPE hours per year.

JAMES DAVIS JR.

Mr. Davis requested a waiver of the \$350 renewal fine, due to a late renewal.

JOSHUA BOGGS

Mr. Boggs requested a waiver of the \$120 CPE fine, due to not completing at least 20 CPE hours per year.

THOMAS DOORLEY

Mr. Doorley requested a waiver of the \$120 CPE fine, due to not completing at least 20 CPE hours per year.

DESIRAE MCCLOSKEY

Ms. McCloskey requested a waiver of the \$140 CPE fine, due to not completing at least 20 CPE hours per year.

VICTORIA NEWMAN

Ms. Newman requested a waiver of the \$200 CPE fine, due to not completing at least 20 CPE hours per year.

MARSHALL BUCKLEY

Mr. Buckley requested a waiver of the \$67 CPE fine, due to not completing at least 20 CPE hours per year.

GIZACHEW ASFAW

Mr. Asfaw requested a waiver of the \$300 CPE fine, due to a late renewal.

JOYCE TRENT

Ms. Trent requested a waiver of the \$300 CPE fee, due to a late renewal.

STANLEY HINCKLEY

Mr. Hinckley requested a waiver of the \$300 late renewal fee, due to a late firm registration renewal.

CHARLES DEMARINO

Mr. DeMarino requested a waiver of the \$300 late renewal fee, due to a late renewal.

MATTHEW KISSELL

Mr. Kissell requested a waiver of the \$400 CPE fee, due to not completing at least 20 CPE hours per year.

APPROVAL OF February 5, 2021 BOARD MEETING MINUTES

Ms. Durst moved to approve the February 5, 2021 Board meeting minutes, which was seconded by Mr. Weinstein. A voice vote occurred—all were in favor of the motion.

REQUEST FOR RECONSIDERATION

Mr. Patterson discussed the closed case review of Grace CPA, submitted by Benjamin Haney, complainant.

Mr. Weinstein moved to not take action regarding the request for reconsideration, which was seconded by Mr. Soucie. The motion passes 8-0, by voice vote.

Mr. Patterson discussed the reconsideration request for a CPE exam credit extension denial submitted by Melissa Cordero.

Mr. Weinstein moved to take no action regarding either request for reconsideration, which was seconded by Mr. Soucie. The motion passes 8-0 by voice vote.

FORMAL HEARINGS

FORMAL HEARING: DARRELL CAREY/ CAREY AND ASSOCIATES, INC.

Ms. Watts opened a disciplinary hearing at 10:04 AM, in accordance with *Goldman v. State Med. Bd. Of Ohio*.

Ms. Karamali waived her opening statement and reminded all in attendance the procedure and requirements of a *Goldman* hearing.

Ms. Karamali called Sarah Sarnowski, Board Investigator, as a witness.

Ms. Karamali questioned Ms. Sarnowski regarding the facts of the case against Mr. Carey and his firm. The Board questioned Ms. Sarnowski.

Ms. Sarnowski answered questions from the Board.

Ms. Karamali provided closing arguments and asked for admission of Board's exhibit 3A, 1 through 22, into evidence.

Ms. Watts concluded the hearing.

Mr. James Leo, attorney for Mr. Darrell Carey, requested permission to address the Board on behalf of his client. Discussion on this matter was held between Ms. Karamali, Mr. Patterson, and Ms. Watts.

Chair Watts permitted Mr. Leo to speak, and he did so.

FORMAL HEARING: JOSHUA A. CAREY, CPA.

Ms. Watts opened a disciplinary hearing at 10:25 AM pursuant to section 4701.17 of the Revised Code.

Mr. Carey was in attendance via Microsoft Teams and was represented by counsel, James Leo.

Ms. Karamali stated the stipulations agreed to for the hearing and Mr. Leo confirmed these stipulations.

Ms. Karamali made an opening statement.

Mr. Leo made an opening statement.

Ms. Karamali called Board Investigator Sarah Sarnowski as a witness.

Ms. Karamali questioned Ms. Sarnowski regarding the facts of the case against Mr. Carey.

Mr. Leo cross-examined Ms. Sarnowski.

Mr. Leo called Mr. Joshua Carey as a witness and questioned him.

The Board questioned Mr. Carey.

Ms. Karamali made a closing statement and asked for the admission of Board's exhibits 3B, pages 1-48.

Mr. Leo made a closing statement.

Ms. Watts concluded the hearing.

QUASI-JUDICIAL DELIBERATIONS

Upon Ms. Watts' direction, Mr. Fitzgerald proposed a motion to enter quasi-judicial deliberations, which was seconded by Margaret Gilmore. A voice vote occurred. The Board went into quasi-judicial deliberations to discuss the formal hearings, requests for waivers of late fees and board requests. After discussion, the Board returned to general session.

LATE FEE WAIVER REQUESTS

Upon the motion by Mr. Fitzgerald and seconded by Mr. Soucie, the Board voted to approve the requests for waiver for Richard Steiner and James Trent

Motion carried 8-0 on a roll call vote.

Upon the motion by Mr. Fitzgerald and seconded by Mr. Soucie, the Board voted to deny the requests for waiver for Cameron Rubino, Joseph Dilgard, James Davis Jr., Joshua Boggs, Thomas Doorley, Desirae McCloskey, Victoria Newman, Marshall Buckley, Gizachew Asfaw, Stanley Hinckley, Charles DeMarino, and Matthew Kissell.

Motion carried 7-0 on a roll call vote.

HEARING DECISIONS

Darrell Carey (Case #2019-10348)

Upon the motion by Mr. Fitzgerald and seconded by Mr. Soucie, the Board voted to revoke the CPA certificate of Mr. Carey

Motion carried 8-0 on a roll call vote.

Joshua Carey (Case #2020-11863)

Upon the motion by Mr. Fitzgerald and seconded by Mr. Soucie, the Board voted to revoke the CPA certificate of Mr. Lapp, but stay but stay the revocation, pending the completion of the following conditions:

A payment of a fine of \$500 and completion of a 3 credit Board-approved, Ohio specific PSR course.

Motion carried 8-0 on a roll call vote.

CHAIR'S REPORT

PEER REVIEW OVERSIGHT COMMITTEE

Mr. Weinstein called for a motion that the fee increase proposed by the Ohio Society of CPAs (OSCPA) be approved. This motion was seconded by Mr. Soucie. A roll call vote occurred, and the motion passed 8-0.

EXECUTIVE COMMITTEE

Mr. Patterson explained that this meeting was unnecessary as there was no travel for the NASBA Easter Regional meeting.

EDUCATION ASSISTANCE COMMITTEE

Mr. Fitzgerald discussed the contents of the March 12, 2021 education assistance committee meeting, rule changes discussion, minority scholarship allotments, and funding of the scholarship program given the potential for exhaustion of funds in the program.

NEW BUSINESS

Ms. Watts and Ms. Gilmore discussed the NASBA National Meeting will be happening in the fall and if it would be live or virtual.

Ms. Fithen, Ms. Gilmore, Ms. Watts, Ms. Karamali, Mr. Patterson, and Mr. Soucie discussed the future of in-person Board meetings, how it relates to Ohio legislation, and how other states are conducting meetings.

Ms. Karamali, Ms. Gilmore, Mr. Redmond, Mr. Patterson, Mr. Soucie, and Ms. Oklok discussed work from home arrangements for Board staff.

OLD BUSINESS

Status of Past Hearings

Ms. Karamali reported there are no open, active appeals.

SUMMARY OF BOARD REQUESTS

No requests were made by the Board.

ADJOURNMENT

Ms. Watts asked if there was any additional information, or questions, of the Board. Noting that there were no other comments and upon motion by Ms. Gilmore and seconded by Ms. Durst, the Board voted to adjourn.

Motion carried 8-0.

Kenya Y. Watts, Chair

Gerald P. Weinstein, Secretary